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## 唐宮(中國)控股有限公司

TANG PALACE (CHINA) HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1181)**

### PROFIT WARNING

This announcement is made by Tang Palace (China) Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, according to a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 (the “**Period**”), the Group is expected to record a profit attributable to owners of the Company ranging from RMB2.0 million to RMB5.0 million for the Period, as compared to a profit attributable to owners of the Company of RMB41.6 million for the six months ended 30 June 2023.

The Board is of the view that the expected decline in profit attributable to owners of the Company for the Period was mainly attributable to the slowdown in economic growth in Mainland China and Hong Kong as a result of global political changes and economic fluctuation. The change in external environments have led to a tendency for a more prudent consumption pattern. As a result, the Group’s number of customers and average spending per customer in restaurants decreased during the Period, which led to a decrease in the Group’s revenue by approximately 10% as compared to the same period in 2023.

To accommodate different market situation, the Group has rolled out a series of marketing activities which tap into the market of each region, including (i) the launch of different combination of promotions such as livestreaming to increase exposure and customer flow effectively, and (ii) hosting dining related events regularly aimed to raise customer loyalty. The Group has also stabilised cost by several measures including enhanced bulk purchase management, staff cost structure optimisation and rent reduction through communication with landlord. The Board is confident that through its excellent management team, a series of market-oriented operational adjustments, and effective cost control measures, the Group can achieve favorable outcomes for its sustainable development.

The Company is in the process of finalising the Group's interim results for the Period. The information contained in this announcement is only a preliminary assessment made by the Board based on the unaudited consolidated management accounts of the Group available up to the date of this announcement and the latest available information (which have neither been audited nor reviewed by the auditor and the audit committee of the Company), and therefore, is subject to adjustments. Detailed financial results of the Company for the Period will be published in the interim results announcement by the end of August 2024 pursuant to the requirements of the Listing Rules.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Tang Palace (China) Holdings Limited**  
**Wong Chung Yeung**  
*Executive Director and Company Secretary*

Hong Kong, 15 August 2024

*As at the date of this announcement, the Board comprises the following directors:*

*Executive directors:*

*Ms. WENG Peihe, Mr. YIP Shu Ming, Mr. CHAN Man Wai, Mr. KU Hok Chiu, Mr. CHEN Zhi Xiong, Mr. WONG Chung Yeung*

*Independent non-executive directors:*

*Mr. KWONG Chi Keung, Mr. KWONG Ping Man, Mr. CHAN Kin Shun*